

108TH CONGRESS  
2D SESSION

# S. 2896

To modify and extend certain privatization requirements of the  
Communications Satellite Act of 1962.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 5, 2004

Mr. BURNS (for himself and Mr. BREAU) introduced the following bill; which  
was read twice, considered, read the third time, and passed

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## A BILL

To modify and extend certain privatization requirements of  
the Communications Satellite Act of 1962.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PRIVATIZATION REQUIREMENTS MODIFIED**

4 **AND EXTENDED.**

5 Section 621(5) of the Communications Satellite Act  
6 of 1962 (47 U.S.C. 763) is amended—

7 (1) in subparagraph (A)(ii), by striking “June  
8 30, 2004” and inserting “June 30, 2005”; and

9 (2) by adding at the end the following new sub-  
10 paragraph:

1           “(F) Notwithstanding subparagraphs (A)  
2           and (B), a successor entity may be deemed a  
3           national corporation and may forgo an initial  
4           public offering and public securities listing and  
5           still achieve the purposes of this section if—

6                   “(i) the successor entity certifies to  
7           the Commission that—

8                           “(I) the successor entity has  
9                           achieved substantial dilution of the  
10                          aggregate amount of signatory or  
11                          former signatory financial interest in  
12                          such entity;

13                          “(II) any signatories and former  
14                          signatories that retain a financial in-  
15                          terest in such successor entity do not  
16                          possess, together or individually, effec-  
17                          tive control of such successor entity;  
18                          and

19                          “(III) no intergovernmental orga-  
20                          nization has any ownership interest in  
21                          a successor entity of INTELSAT or  
22                          more than a minimal ownership inter-  
23                          est in a successor entity of Inmarsat;

24                          “(ii) the successor entity provides  
25           such financial and other information to the

1 Commission as the Commission may re-  
2 quire to verify such certification; and

3 “(iii) the Commission determines,  
4 after notice and comment, that the suc-  
5 cessor entity is in compliance with such  
6 certification.

7 “(G) For purposes of subparagraph (F),  
8 the term ‘substantial dilution’ means that a ma-  
9 jority of the financial interests in the successor  
10 entity is no longer held or controlled, directly or  
11 indirectly, by signatories or former signato-  
12 ries.”.

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